

SENATE BILL No. 534

September 24, 2013, Introduced by Senators PROOS, BRANDENBURG, JONES, ROBERTSON and MARLEAU and referred to the Committee on Regulatory Reform.

A bill to amend 1972 PA 239, entitled "McCauley-Traxler-Law-Bowman-McNeely lottery act," by amending section 32 (MCL 432.32), as amended by 2012 PA 428.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 32. (1) Before payment of a prize of \$1,000.00 or more,
2 the bureau shall determine both of the following:

3 (a) Whether department of treasury records show that the
4 lottery winner has a current liability to this state or a support
5 arrearage.

6 (b) Whether unemployment insurance agency records show that
7 the lottery winner has any current liability for restitution of
8 unemployment benefits, penalty, or interest under section 15 of the
9 Michigan employment security act, 1936 (Ex Sess) PA 1, MCL 421.15.

10 (C) **WHETHER THE LIST PREPARED AND MADE AVAILABLE BY THE STATE**

1 COURT ADMINISTRATIVE OFFICE UNDER SECTION 1477 OF THE REVISED
2 JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.1477, SHOWS THAT THE
3 LOTTERY WINNER HAS A CURRENT LIABILITY TO A COURT IN THIS STATE FOR
4 FINES, COSTS, ASSESSMENTS, FEES, VICTIM PAYMENTS, OR OTHER
5 PAYMENTS.

6 (2) The department of treasury shall provide the bureau with a
7 list or computer access to a compilation of persons known to the
8 department to have a current liability to this state, including
9 delinquent accounts of money due and owing to a court that have
10 been assigned to this state for collection, or a support arrearage.
11 The information shall be updated not less than once a month.

12 (3) If a liability to this state, a support arrearage, ~~or~~ an
13 unemployment compensation debt, **OR A LIABILITY TO A COURT** is
14 identified under subsection (1), the bureau shall ascertain the
15 amount owed from the department of treasury, ~~or~~ the unemployment
16 insurance agency, **OR THE STATE COURT ADMINISTRATIVE OFFICE**, as
17 applicable.

18 (4) After ascertaining the amount owed by the lottery winner
19 under subsection (3), the bureau shall apply the amount of the
20 prize as follows:

21 (a) First to any liability to this state other than an
22 assigned delinquent account of money due and owing to a court or an
23 unemployment compensation debt.

24 (b) Next to any support arrearage.

25 (c) **NEXT TO ANY CURRENT LIABILITY TO A COURT FOR FINES, COSTS,**
26 **ASSESSMENTS, FEES, VICTIM PAYMENTS, OR OTHER PAYMENTS.**

27 (d) ~~(e)~~ Next to any unemployment compensation debt.

1 (E) ~~(d)~~—Next to any assigned delinquent accounts of money due
2 and owing to a court.

3 (F) ~~(e)~~—The balance, if any, shall be paid to the lottery
4 winner.

5 (5) Except for a payment applied to a liability under
6 subsection (4)(c) OR (D), a lottery winner shall be given notice
7 and an opportunity for a hearing before the department of treasury
8 or its designee with respect to the liability to which the prize is
9 to be applied if the liability has not been reduced to judgment or
10 has not been finalized under statutory review provisions of the
11 statute under which the liability arose. The notice shall be given
12 by regular mail. The lottery winner may request a hearing before
13 the department of treasury within 15 days after the date of the
14 notice by making a written request to the state treasurer.

15 (6) An amount applied to pay a support arrearage shall be paid
16 by the bureau to the department of treasury, which shall pay the
17 amount to the office of the friend of the court for the appropriate
18 judicial circuit or to the state disbursement unit in the same
19 manner as a payment pursuant to an order of income withholding
20 under section 9 of the support and parenting time enforcement act,
21 1982 PA 295, MCL 552.609.

22 (7) In regard to information provided by the department of
23 treasury to the bureau under this section, the bureau is subject to
24 the confidentiality restrictions and penalties provided in section
25 28(1)(f) and (2) of 1941 PA 122, MCL 205.28. In regard to
26 information provided by the unemployment insurance agency to the
27 bureau under section 15 of the Michigan employment security act,

1 1936 (Ex Sess) PA 1, MCL 421.15, the bureau is subject to the
2 confidentiality restrictions and penalties provided in sections 11
3 and 54 of the Michigan employment security act, 1936 (Ex Sess) PA
4 1, MCL 421.11 and 421.54.

5 (8) Each office of the friend of the court shall report to the
6 office of child support the names of persons who have a current
7 support arrearage and the office of child support shall provide
8 that information to the department of treasury.

9 (9) As used in this section:

10 (a) "Office of the friend of the court" means an agency
11 created in section 3 of the friend of the court act, 1982 PA 294,
12 MCL 552.503.

13 (b) "Support" means that term as defined in section 2a of the
14 friend of the court act, 1982 PA 294, MCL 552.502a.

15 Enacting section 1. This amendatory act does not take effect
16 unless Senate Bill No. 519

17 of the 97th Legislature is enacted into law.